

CHANGE REQUEST COVER SHEET

Change Request Number: 10-77

Date Received: 9/27/2010

Title: IOT&E Name Change

Name: David Woodson

Phone: 202-267-7601

Policy OR Guidance: Policy

Section/Text Location Affected: AMS Policy Sections 2.5.1, 2.5.2, 2.6.1 and Appendices A & D

Summary of Change: This change revises the name of Independent Operational Test and Evaluation (IOT&E) to Independent Operational Assessment (IOA) to reflect the fact that there is no (and has never been) testing conducted during IOT&E. It remains an assessment in the operational environment. In addition, the word safety was added in two places to reflect the Agency's and Office of Safety's focus on Safety Management System (SMS).

Reason for Change: The changes are in response to concerns that IOT&E may be misunderstood to include testing, and to reflect the SMS implementation in the Agency. There will be no change in what is currently accomplished during IOT&E.

Development, Review, and/or Concurrence: The change was reviewed within the ISM Directorate and Office of Safety thru the COO.

Target Audience: Service Teams with programs designated for IOT&E.

Potential Links within FAST for the Change: None

Briefing Planned: No

ASAG Responsibilities: None

Potential Links within FAST for the Change: None

Links for New/Modified Forms (or) Documents (LINK 1)

Links for New/Modified Forms (or) Documents (LINK 2)

Links for New/Modified Forms (or) Documents (LINK 3)

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SECTIONS EDITED:

Appendix D: Acronyms

Old Content: Acquisition Management Policy:

Appendix D: Acronyms

ADR	Alternative Dispute Resolution
AEB	Acquisition Executive Board
AIP	Airport Improvement Program
AMS	Acquisition Management System
AOPC	Agency/Organization Program Coordinator
AP	Approving Official
ASAG	Acquisition System Advisory Group
BCAR	Business Case Analysis Report
CAS	Cost Accounting Standards
CAS	Commercially Available Software (2 nd definition for this acronym)
CCB	Configuration Control Board
CCD	Configuration Control Decision
CIB	Card Issuing Bank
CIP	Capital Investment Plan
CIT	Capital Investment Team
CM	Configuration Management
CO	Contracting Officer
COCO	Chief of the Contracting Office
COI	Critical Operational Issue
COTS	Commercial Off The Shelf
CPIC	Capital Planning and Investment Control
DPA	Delegation of Procurement Authority
DOT	Department of Transportation

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DRO	Dispute Resolution Officer
EA	Enterprise Architecture
EIS	Environmental Impact Statement
EVM	Earned Value Management
F&E	Facilities and Equipment
FAA	Federal Aviation Administration
FAST	FAA Acquisition System Toolset
FISMA	Federal Information Security and Management Act
FONSI	Finding of No Significant Interest
FSS	Federal Supply Schedule
GFI	Government Furnished Information
GFP	Government Furnished Property
GSA	General Services Administration
IDA	Investment Decision Authority
ILS	Integrated Logistics Support
IOT&E	Independent Operational Test and Evaluation
IRT	Integrated Requirements Team
ISM	In-Service Manager
ISR	In-Service Review
ISS	Information System Security
JRC	Joint Resources Council
LOB	Line of Business
MCC	Merchant Category Codes
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
NAIC	North American Industry Classification
NAS	National Airspace System
NCP	National Airspace System Change Proposal
NDI	Non-developmental Item
ODR	Office of Dispute Resolution
O&M	Operations and Maintenance
OMB	Office of Management and Budget
OPR	Offices of Primary Responsibility
OSHA	Occupational Safety and Health Administration
OST	Office of the Secretary of Transportation
P3I	Preplanned Product Improvement
PSM	Procurement Strategy Meeting
PT	Product Team
QRO	Quality Reliability Officer
QVL	Qualified Vendor List
RCCB	Regional Configuration Control Board

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RE&D	Research, Engineering, and Development
RFO	Request For Offer
RMA	Reliability, Maintainability, and Availability
SB	Small Business
SDB	Small Disadvantage Business
SDVOSB	Service-Disabled Veteran Owned Small Business
SEDB	Socially and Economically Disadvantaged Businesses
SIC	Standard Industrial Classification
SIR	Screening Information Request
SSO	Source Selection Official
T&E	Test and Evaluation
U.S.C.	United States Code
VSB	Very Small Business

New Content: Acquisition Management Policy:

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Section 4.5 : Independent Operational Test and Evaluation

Old Content: Acquisition Management Policy:

Section 4.5 : Independent Operational Test and Evaluation

The FAA is committed to verifying that new systems are operationally effective, supportable, and suitable before deployment. The Chief Operating Officer, through the Vice President of Safety Services, designates investment programs on which to conduct independent operational test and evaluation (IOT&E). The decision to designate a program for IOT&E is based on such factors as complexity, operational criticality, lifecycle cost, interoperability, and risk.

During the early stage of solution implementation, the Office of IOT&E identifies potential operational risks and communicates them to the service organization. Once service organization test activities are complete, the Vice President of the service organization will declare in writing to the Vice President of Safety Services, via the IOT&E Readiness Declaration, the readiness of the system to enter IOT&E. IOT&E provides decision-makers with an independent determination of operational readiness in support of the production and in-service decisions.

New Content: Acquisition Management Policy:

Section 4.5 : Independent Operational Assessment

The FAA is committed to verifying that new systems are operationally effective, suitable, and safe before deployment. The Chief Operating Officer, through the Vice President of the Office of Safety Management, designates investment programs on which to conduct independent operational assessment (IOA). The decision to designate a program for IOA is based on such factors as complexity, operational criticality, lifecycle cost, interoperability, and safety risk.

During the early stage of solution implementation, the Office of Independent Safety Assessment identifies potential operational and safety risks and communicates them to the service organization. Once service organization test activities are complete, the Vice President of the service organization will declare in writing to the Vice President of Office of Safety, via the IOA Readiness Declaration, the readiness of the system to enter IOA. IOA provides decision-makers with an independent determination of operational readiness in support of the production and in-service decisions.

Red Line Content: Acquisition Management Policy:

Section 4.5 : Independent Operational ~~Test and Evaluation~~ Assessment

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Section 2.6.1 : Entrance Criteria

Old Content: Acquisition Management Policy:

Section 2.6.1 : Entrance Criteria

The following are required for the in-service decision:

- Operational test report(s);
- IOT&E report for designated programs;
- ISR checklist completed;
- Safety risk management document or system safety assessment report approved;
- Information security certification and authorization;
- Stakeholder concurrence on readiness for the in-service decision; and
- ISD briefing and action plan.

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Section 2.5.3 : Who Does It?

Old Content: Acquisition Management Policy:

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The service organization manages all activities necessary to plan, obtain, and deploy the solution. This includes the award and management of contracts, continuing review and evaluation of progress relative to plan, and corrective action to achieve cost, schedule, and performance targets in the acquisition program baseline. Service organizations also manage all issues and actions necessary for the in-service decision, and update program planning to address how the newly fielded capability will be sustained throughout its service life. The integrated logistics management team ensures implementation of the logistics solution.

The operating service organization conducts joint acceptance and inspection at each site, declares operational readiness, and commissions the solution into operational use.

Authorized representatives of key stakeholder organizations work with the service organization throughout solution implementation to resolve all issues and enter into binding agreements to achieve the costs, schedule, performance, and benefits projected for the investment program. They provide the service organization and ISD authority with all issues and concerns identified during solution implementation up to and including the in-service decision.

For programs designated for independent operational test and evaluation, the Vice President of the service organization notifies the ATO Vice President for Safety Services when the product is ready for independent operational assessment via the IOT&E readiness declaration. The Director of IOT&E evaluates operational readiness of the product and reports findings to the in-service decision authority.

The Information Technology Executive Board annually reviews OMB Exhibit 300s for designated programs as part of the annual budget process. During this process, the AIO Value Management Office independently scores all OMB Exhibit 300s that will be submitted to the Office of Management and Budget through the Office of the Secretary of Transportation. The objective is to obtain a passing score from the Office of Management and Budget on all submitted OMB Exhibit 300s.

**New Content: Acquisition Management Policy:
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For programs designated for independent operational assessment, the Vice President of the service organization notifies the ATO Vice President for Safety Services when the product is ready for independent operational assessment via the IOA readiness declaration. The Director of IOA evaluates operational readiness of the product and reports findings to the in-service decision authority.

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Section 2.5.2 : Outputs and Products

Old Content: Acquisition Management Policy:

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The primary outcome of solution implementation is a fully deployed and supported operational capability that satisfies requirements, is accepted by users, is compatible with other products and services in the field, and realizes the benefits in the final business case analysis report. The following are typical products of solution implementation that support the fielding of a satisfactory operational capability:

- Annual updates of the OMB Exhibit 300 for designated programs;
- Continuous evaluation of progress against targets in the acquisition program baseline;
- Contracts that achieve investment objectives (i.e., cost, schedule, performance, and benefits);
- Successful operational test and evaluation;
- Successful IOT&E and IOT&E report for designated programs;
- In-service decision, including the in-service decision (ISD) briefing and action plan;
- Declaration of operational readiness and commissioning at each site;
- Program reviews and reports (e.g., baseline management, variance tracking; financial, schedule, performance; earned value, logistics measures, and risk management); and
- Service-level review reports.

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- Continuous evaluation of progress against targets in the acquisition program baseline;
- Contracts that achieve investment objectives (i.e., cost, schedule, performance, and benefits);
- Successful operational test and evaluation;
- Successful IOA and IOA report for designated programs;
- In-service decision, including the in-service decision (ISD) briefing and action plan;
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Section 2.5.1 : What Must Be Done

**Old Content: Acquisition Management Policy:
Section 2.5.1 : What Must Be Done**

- **Finalize program planning.** The service organization reviews and updates program planning completed during final investment analysis (i.e., implementation strategy and planning document). Key stakeholders participate in this activity to ensure planning is complete and realistic. For example, if new systems are to be installed or existing facilities modified, service organization planners work with service-area offices so people and resources will be available when needed.
- **Obtain the solution.** The service organization oversees and coordinates execution of tasks and activities necessary to achieve the benefits projected for the investment program within approved cost and schedule baselines. This includes such activities as contract award, contract administration, program management, resource management, risk management, systems engineering, logistics support, test and evaluation, and site acquisition and adaptation. It may involve developing operational procedures and standards; obtaining physical, personnel, and information security; modifying the physical infrastructure; and coordinating collateral action by the aviation industry.
- **Verify Operational Readiness.** The service organization manages all activities necessary to install the solution at a designated test site(s) and test it thoroughly to verify operational readiness. Operational readiness encompasses operational effectiveness and operational suitability. Operational effectiveness measures how well the solution satisfies mission need and operational requirements. Operational suitability measures how well a product can be integrated and employed for field use, considering such factors as compatibility, reliability, human performance factors, maintenance and logistics support, safety, and training. For designated programs, operational readiness is also assessed by independent operational test and evaluation. The solution may be installed, as necessary, at the FAA Academy, FAA Logistics Center, and William J. Hughes Technical Center before the in-service decision. In rare cases and with proper justification, the service organization may request authority to install at other specific sites. This authorization does not affect the regular in-service review process culminating in a final in-service decision, which must be adhered to before a product can be placed into operational service through the declaration of operational readiness date (ORD) and commissioning.
- **Update planning for in-service management.** The service organization plans how it will sustain and manage deployed assets throughout their full lifecycle. This includes in-service support, post implementation reviews and other evaluations of operational assets to measure performance, collection of performance data in support of service-level reviews, product sustainment strategy and actions, service-life extension, and eventual removal from service including site restoration.
- **Verify and validate key work products and products.** The service organization incrementally verifies and validates key work products and products of solution implementation, including the contract/statement of work, design documents, specifications, and actual product/product components. Verification and validation activity supports contract award, product demonstration decision, production decision, product acceptance, and the in-service decision.

- **Prepare for in-service decision.** The service organization completes all activities necessary for the in-service decision. This includes resolution of all support issues identified by the operating service organization and integrated logistics management team; completion of management actions arising from the in-service review checklist and IOT&E report (designated programs only); resolution of stakeholder issues; development of the in-service decision briefing and action plan; and concurrence of key stakeholders.
- **Deploy the solution at all sites.** The service organization manages all activities necessary to deploy the solution at each site. This includes transportation and delivery of equipment, installation and checkout, contractor acceptance and inspection, integration, field familiarization, declaration of initial operational capability, joint acceptance and inspection, dual operations, declaration of operational readiness, and removal and disposal of obsolete equipment. Post implementation reviews are conducted at deployment sites to ensure user needs are satisfied, identify systemic problems that must be corrected, and determine whether cost, schedule, and benefits objectives are being achieved. The transition from solution implementation to in-service management extends over time, occurring at each site upon declaration of operational readiness or commissioning.

Investment programs that develop, modernize, or enhance systems or software follow the knowledge-based product development process shown in Figure 2.5.1-1. Table 2.5.1-1 contains the timing, criteria, and authority for each decision point.

Figure 2.5.1-1. FAA Knowledge-Based Product Development Process

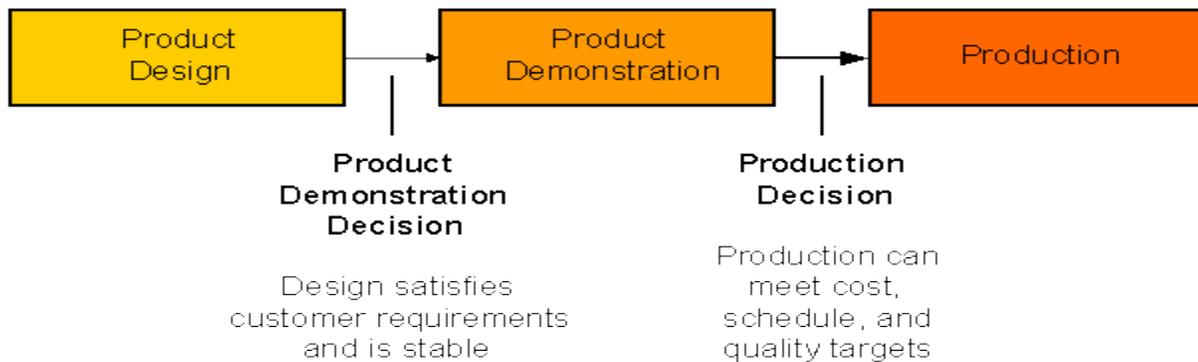


Table 2.1.5-1 Product Development Decision Points, Timing, Criteria, and Authority

Decision Point	Timing	Decision Authority	Decision Criteria
Product Demonstration Decision	After critical design review	Vice President or Director of the implementing service organization	<ul style="list-style-type: none"> • Key product characteristics are defined • Stakeholders agree that product design and functionality satisfy customer requirements • System design reviews are complete • Engineering drawings are complete • Detailed software/firmware design is complete, including critical software

			processes and threads <ul style="list-style-type: none"> • RMA goals are defined and planning is complete • Failure modes and effects analysis is complete • Critical manufacturing processes are identified
Production Decision	After completion of operational testing	Vice President or Director of the implementing service organization *	<ul style="list-style-type: none"> • First-article satisfies customer requirements in an operational environment • Data demonstrate that critical manufacturing processes and components will achieve RMA goals • First-article achieves contract RMA requirements • Stakeholders agree design is producible

* Unless otherwise designated by the JRC at the final investment decision.

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- **Prepare for in-service decision.** The service organization completes all activities necessary for the in-service decision. This includes resolution of all support issues identified by the operating service organization and integrated logistics management team; completion of management actions arising from the in-service review checklist and IOA report (designated programs only); resolution of stakeholder issues; development of the in-service decision briefing and action plan; and concurrence of key stakeholders.
- **Deploy the solution at all sites.** The service organization manages all activities necessary to deploy the solution at each site. This includes transportation and delivery of equipment, installation and checkout, contractor acceptance and inspection, integration, field familiarization, declaration of initial operational capability, joint acceptance and inspection, dual operations, declaration of operational readiness, and removal and disposal of obsolete equipment. Post implementation reviews are conducted at deployment sites to ensure user needs are satisfied, identify systemic problems that must be corrected, and determine whether cost, schedule, and benefits objectives are being achieved. The transition from solution implementation to in-service management extends over time, occurring at each site upon declaration of operational readiness or commissioning.

Investment programs that develop, modernize, or enhance systems or software follow the knowledge-based product development process shown in Figure 2.5.1-1. Table 2.5.1-1 contains the timing, criteria, and authority for each decision point.

Figure 2.5.1-1. FAA Knowledge-Based Product Development Process

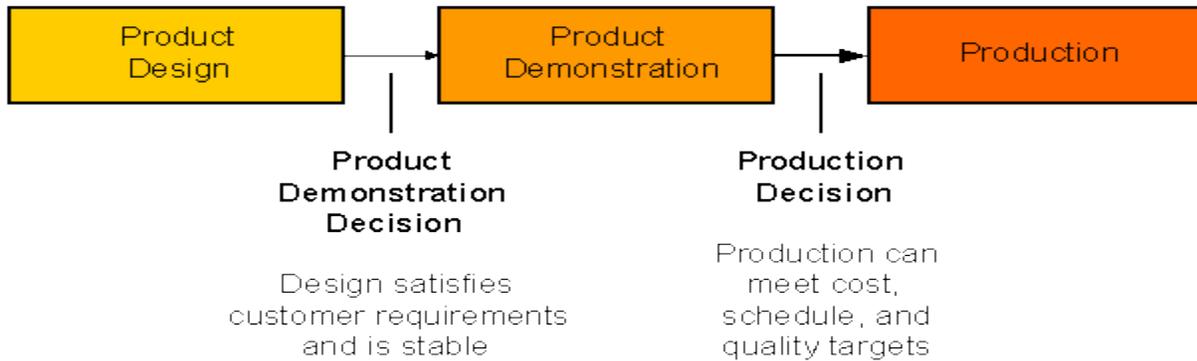


Table 2.1.5-1 Product Development Decision Points, Timing, Criteria, and Authority

Decision Point	Timing	Decision Authority	Decision Criteria
Product Demonstration Decision	After critical design review	Vice President or Director of the implementing service organization	<ul style="list-style-type: none"> • Key product characteristics are defined • Stakeholders agree that product design and functionality satisfy customer requirements • System design reviews are complete • Engineering drawings are complete • Detailed software/firmware design is complete, including critical software processes and threads • RMA goals are defined and planning is complete • Failure modes and effects analysis is complete • Critical manufacturing processes are identified
Production Decision	After completion of operational testing	Vice President or Director of the implementing service organization *	<ul style="list-style-type: none"> • First-article satisfies customer requirements in an operational environment • Data demonstrate that critical manufacturing processes and components will achieve RMA goals • First-article achieves contract RMA requirements • Stakeholders agree design is producible

* Unless otherwise designated by the JRC at the final investment decision.

**Red Line Content: Acquisition Management Policy:
Section 2.5.1 : What Must Be Done**

- **Finalize program planning.** The service organization reviews and updates program planning completed during final investment analysis (i.e., implementation strategy and planning document). Key stakeholders participate in this activity to ensure planning is complete and realistic. For example, if new systems are to be installed or existing facilities modified, service organization planners work with service-area offices so people and resources will be available when needed.
- **Obtain the solution.** The service organization oversees and coordinates execution of tasks and activities necessary to achieve the benefits projected for the investment program within approved cost and schedule baselines. This includes such activities as contract award, contract administration, program management, resource management, risk management, systems engineering, logistics support, test and evaluation, and site acquisition and adaptation. It may involve developing operational procedures and standards; obtaining physical, personnel, and information security; modifying the physical infrastructure; and coordinating collateral action by the aviation industry.
- **Verify Operational Readiness.** The service organization manages all activities necessary to install the solution at a designated test site(s) and test it thoroughly to verify operational readiness. Operational readiness encompasses operational effectiveness and operational suitability. Operational effectiveness measures how well the solution satisfies mission need and operational requirements. Operational suitability measures how well a product can be integrated and employed for field use, considering such factors as compatibility, reliability, human performance factors, maintenance and logistics support, safety, and training. For designated programs, operational readiness is also assessed by independent operational ~~test and evaluation~~ **assessment**. The solution may be installed, as necessary, at the FAA Academy, FAA Logistics Center, and William J. Hughes Technical Center before the in-service decision. In rare cases and with proper justification, the service organization may request authority to install at other specific sites. This authorization does not affect the regular in-service review process culminating in a final in-service decision, which must be adhered to before a product can be placed into operational service through the declaration of operational readiness date (ORD) and commissioning.
- **Update planning for in-service management.** The service organization plans how it will sustain and manage deployed assets throughout their full lifecycle. This includes in-service support, post implementation reviews and other evaluations of operational assets to measure performance, collection of performance data in support of service-level reviews, product sustainment strategy and actions, service-life extension, and eventual removal from service including site restoration.
- **Verify and validate key work products and products.** The service organization incrementally verifies and validates key work products and products of solution implementation, including the contract/statement of work, design documents, specifications, and actual product/product components. Verification and validation activity supports contract award, product demonstration decision, production decision, product acceptance, and the in-service decision.
- **Prepare for in-service decision.** The service organization completes all activities necessary for the in-service decision. This includes resolution of all support issues identified by the operating service organization and integrated logistics management team; completion of management actions arising from the in-service review checklist and

IOT&EIOA report (designated programs only); resolution of stakeholder issues; development of the in-service decision briefing and action plan; and concurrence of key stakeholders.

- **Deploy the solution at all sites.** The service organization manages all activities necessary to deploy the solution at each site. This includes transportation and delivery of equipment, installation and checkout, contractor acceptance and inspection, integration, field familiarization, declaration of initial operational capability, joint acceptance and inspection, dual operations, declaration of operational readiness, and removal and disposal of obsolete equipment. Post implementation reviews are conducted at deployment sites to ensure user needs are satisfied, identify systemic problems that must be corrected, and determine whether cost, schedule, and benefits objectives are being achieved. The transition from solution implementation to in-service management extends over time, occurring at each site upon declaration of operational readiness or commissioning.

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